

A public hospital corporation was organized under a statute conferring on it the power to acquire by the right of eminent domain any property essential to its purposes. Although wholly owned by political subdivisions of a State, it is a separate entity and is otherwise a counterpart of an organization exempt from Federal income tax under section 501(c)(3) of the Internal Revenue Code of 1954. The power of eminent domain is not considered a regulatory or enforcement power of the type referred to in Revenue Ruling 60-384, C.B. 1960-2, 172. Therefore, this organization, although possessing the power of eminent domain, is not clothed with a power beyond those of an organization described in section 501(c)(3) of the Code. Accordingly, it may qualify for exemption from Federal income tax under that section.

An organization which considers itself within the scope of this Revenue Ruling must, in order to establish exemption under section 501(c)(3) of the Code, file an application on Form 1023, Exemption Application, with the District Director of Internal Revenue for the internal revenue district in which is located the principal place of business or principal office of the organization. See section 1.501(a)-1 of the Income Tax Regulations.